

R E M A R K S**A. INTRODUCTION**

Claims 56-62, 65-70 and 73-81 are pending and rejected.

Upon entry of this Amendment:

- Claims 56-62, 65-70 and 73-81 will be pending
- Claims 56, 61, 62, 74, 75, 76, 77, 78, 79, 80 and 81 will be amended
- Claims 56, 61, 62, 75, 76, 77, 78, 79 and 80 will be the only independent claims

B. CLAIM AMENDMENTS

Each of the independent claims and Claim 81 has been amended in order to remove language directed to in which a service agreement is not required for use of any item of the purchase.

Each of the independent claims has been amended in order to provide generally for wherein the recited purchase is of at least one book. Applicants respectfully submit that none of the cited references, alone or in combination, suggest a cross-subsidy offer to sign up for a credit card, for example, offered only after there is an indication a customer is interested in purchasing at least one book, as provided for in some embodiments described in the Specification.

C. SECTION 112 ¶ 1 REJECTION: LACK OF ENABLEMENT

Claims 56-62, 65-70 and 73-81 stand rejected under 35 U.S.C. § 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains to make and/or use the invention. We respectfully traverse the Examiner's Section 112 ¶ 1 rejection of Claims 56-62, 65-70 and 73-81 for at least the reasons provided in our prior reply, and note that the alleged "lack of literal basis" alone is insufficient grounds on which to find non-compliance with the enablement requirement, if the level of skill (which was not determined) and the Specification enable one of ordinary skill to make or use the invention without undue experimentation.

However, solely in order to expedite allowance of the present Application, Applicants have amended the independent claims and Claim 81 in order to remove language describing in which a service agreement is not required for use of any item of the purchase. Accordingly, Applicants respectfully request the Examiner withdraw the Section 112 (1) rejections.

D. SECTION 103(A) REJECTIONS

Claims 56-61, 65 and 73-78 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Katz and further in view of Brian Reilly “Upselling strategies hit the net,” Net Marketing, Logan, Dana Spoor, Chelliah (U.S. Patent No. 5,710,887), Stephen Ellis and Oslund “The Battle is Joined // State’s local long-distance business lures US West’s competitor”, Star Tribune .

Claims 62, 79 and 80 stand rejected as being unpatentable over Katz in view of Logan and Oslund.

Claim 66 stands rejected as being unpatentable over Katz, Oslund, Logan and Spoor and in further view of Tedesco (Broadcasting and Cable).

Claims 67 and 68 stand rejected as being unpatentable over Katz, Reilly, Chelliah, Oslund, Spoor, Ellis and Logan and further in view of Fleming et al. (Wall Street Journal).

Claims 69 and 70 stand rejected as being unpatentable over Katz, Reilly, Chelliah, Oslund, Spoor, Ellis and Logan and further in view of Colman (Broadcasting & Cable).

Claims 81 stands rejected as being unpatentable over Katz, Reilly, Chelliah, Oslund, Spoor, Ellis and Logan and further in view of Weinblatt (U.S. Patent No. 5,515,270).

Applicants respectfully traverse the Examiner’s Section 103(a) rejection.

Claims 56, 61, and 75-78 are independent claims. Claims 57-60, 73 and 74 depend from Claim 56. New Claim 81 depends from Claim 56. Claims 65-70 depend from Claim 61.

No combination of the cited references teaches or suggests a web page allowing for a choice between paying the associated total price or receiving an offer for a reduction in the total price, as described in the Specification (e.g., FIGs. 10 and 11 and accompanying text). Applicants submit that no combination of the cited references provides for the recited combination of features, nor do the cited references evidence an apparent reason to provide for that specific combination.

The Office Action states that Spoor and Ellis disclose “providers switching” and that this disclosure would have suggested permitting advertisers such as service providers to implement their advertising method...such as taking advantage of Katz’s upsell profiling/targeting methods.” [Office Action, page 6]. Applicants respectfully disagree. Neither Spoor nor Ellis suggest the desirability of “taking advantage” of another system’s “upsell profiling/targeting methods” to provide a subsidy by a second vendor to discount a purchase from a first vendor. Applicants

request what portion of the Spoor or Ellis references are being relied upon as substantial evidence supporting the Examiner's findings.

The Examiner also concedes that Katz, Reilly, Logan, and Chelliah are devoid of a suggestion of a subsidy by a second vendor to discount a purchase from a first vendor. The Sloane, Donlon and Discount Store News references are similarly devoid of a hint of the suggested motivation. Applicants request what portions of these references are being relied upon as substantial evidence supporting the Examiner's findings. Nothing in either Sloane, Discount Store News or Donlon suggests a commitment to a service agreement offered by a second vendor. In Discount Store News, for example, the "cross-selling" is with respect only to prepackaged combinations of store-shelf products to be purchased only from one vendor. In Donlon, there is no requirement of a service agreement, nor is there any hint of applying the "coupon" to the cable bill with which it is provided. Sloane describes promoting discounts on competitive or complementary products, but does not suggest an offer for a subsidy from a second vendor applicable to purchase of a product of a second vendor, as suggested in the Office Action.

The Office Action states at page 5:

In an analogous art, Oslund teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product - grocery coupon subsidized by AT&T (abstract and page 3). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the cited references' method, with the cross-marketing approach as taught by Oslund.

Applicants submit that, as discussed in the Specification (page 2, lines 14-16), promotions provided among two or more vendors were known. For example, a first vendor may advertise that if a particular product is purchased, another product may be purchased from or given away by a second vendor. Oslund describes an example of this known approach to cross-promotion. Oslund similarly describes a first vendor (AT&T) advertising (at "makeshift display tables") that if a customer purchases telephone service from the first vendor (AT&T), another product (e.g., groceries) may be purchased from or given away (the value of the \$5 coupon) by a second vendor (Rainbow).

The Oslund reference, however, is devoid of a hint of any motivation to provide for a discount off a first product purchased from a first vendor (no subsidy of the service agreement is remotely suggested) in exchange for accepting an offer from a second vendor (the customer does not even have to commit to making any purchase at Rainbow). Accordingly, contrary to what is asserted in the Office Action, Oslund does not teach using a cross-marketing approach to sell a product

of a first vendor at a discount based on a subsidy from a second vendor, much less in exchange for accepting an offer from a second vendor for a service agreement.

The Office Action also states it would have been obvious “because the technique for improving a particular class of marketing system was part of the ordinary capabilities of a person of ordinary skill in the marketing art, in view of the teaching of the technique for improvement in other situations such as the implementation of an upselling system based on profiling and targeted advertising to the service provider field.” Applicants do not agree with this statement. The “technique” (as generally claimed, offering by a second merchant a subsidy on a purchase from a first merchant in exchange for a service agreement that is not required for any item in the purchase) was not known, and therefore it would not have been known or deemed desirable to improve the Katz system in the manner suggested by the Examiner to provide for such a feature. That it was known to target advertising, even by service providers, does not suggest effectively allowing a second merchant to intervene in a purchase between a customer and a first merchant, much less unnecessarily increasing the complexity of the Katz system to provide for such a feature.

Regardless, even if such a motivation were established by substantial evidence (which it has not), no combination of the cited references teaches or suggests a web page allowing for a choice, at the time the customer has already indicated a readiness to purchase an item, between paying the associated total price or receiving an offer from a second merchant for a reduction in the total price the customer would owe to a first merchant.

For at least these reasons, Applicants respectfully request the Examiner’s reconsideration and withdrawal of the Section 103(a) rejections of Claims 56-61, 65-70 and 73-78.

Claims 62, 69 and 80 generally recite after activating the button, receiving a signal that the customer has clicked the button; and providing, in response to the received signal, an offer for a subsidy from the second merchant, the step of providing the offer being performed before the purchase is consummated but only after receiving the signal that the customer has clicked the button, whereby the offer is not provided unless and until the signal is received. The present Office Action still does not address any of the above explicit limitations related to activation of a button and functions performed only after receiving a signal is received that the customer has clicked the button. For at least this reason, no prima facie case of obviousness has been provided for independent Claims 62, 79, and 80. Further, Applicants submit that no combination of the cited references provides for the recited combination of features, nor do the cited references

evidence an apparent reason to provide for that specific combination. Accordingly, Applicants request reconsideration and allowance of independent Claims 62, 79 and 80.

For at least these reasons, Applicants respectfully request the Examiner's reconsideration and withdrawal of the Section 103(a) rejections of Claims 56-62, 65-70 and 73-81.

E. ADDITIONAL COMMENTS

Our silence with respect to the Examiner's other various assertions not explicitly addressed in this paper, including assertions of what the cited reference(s) teach or suggest, the Examiner's interpretation of claimed subject matter or the Specification, or the propriety of any asserted combination(s) of teachings, is not to be understood as agreement with the Examiner. As the Examiner has not established an un rebuttable prima facie case for rejecting any of the claims as pending, for at least the reasons stated in this paper, we need not address all of the Examiner's assertions at this time. Also, the absence of arguments for patentability other than those presented in this paper should not be construed as either a disclaimer of such arguments or as an indication that such arguments are not believed to be meritorious.

F. PETITION FOR EXTENSION OF TIME TO RESPOND & AUTHORIZATION TO CHARGE APPROPRIATE FEES

We understand that a three-month extension of time to respond to the Office Action is necessary.

Please grant a petition for any extension of time required to make this Response timely. Please also charge any other appropriate fees set forth in 37 C.F.R. §§ 1.16 – 1.18 for this paper and for any accompanying papers to:

Charge: \$1110.00

Deposit Account: 50-0271

Order No.: 98-109

Please credit any overpayment to the same account.

G. CONCLUSION

It is submitted that all of the claims are in condition for allowance. The Examiner's consideration is respectfully requested.

If the Examiner has any questions regarding this paper or the present application, the Examiner is cordially requested to contact Michael Downs at telephone number (203) 461-7292 or via electronic mail at mdowns@finchamdowns.com.

Respectfully submitted,

September 10, 2009
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